

# Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) Worksheet

Small employers that don't offer group health coverage to their employees can help employees pay for medical expenses through a QSEHRA.

If your employer provides you a QSEHRA, read the notice you get from them carefully for its terms, including your QSEHRA dollar amount. You'll need to have qualifying health coverage to use your QSEHRA and can apply for a Marketplace plan. You can use the QSEHRA to help lower your household's health care costs for qualifying health coverage. Use this worksheet to determine if the QSEHRA meets requirements for "affordability." If it does, you can't get a premium tax credit to lower the cost of a Marketplace plan. If it doesn't and you qualify for a premium tax credit with a Marketplace plan, you must reduce the amount of your advance payments of the premium tax credit (APTC) by the QSEHRA amount.

## STEP 1: Gather the information you need.

- You'll need access to [HealthCare.gov](https://www.healthcare.gov) and a few things to complete this worksheet:
- Your QSEHRA notice.** You should've gotten this from your employer. If you didn't, check with them.
- The adjusted gross income amount from your most recent federal income tax return.** You'll need this to determine your household income for the year the QSEHRA will start. You'll need your household income for Step 3. For what to include, visit [HealthCare.gov/income-and-household-information/income/](https://www.healthcare.gov/income-and-household-information/income/).
- A calculator.** Or, use the calculator function on your computer or mobile device.

## STEP 2: Enter your QSEHRA amount.

a. Enter the maximum yearly, self-only amount available to you through the QSEHRA. If you didn't get the full-year amount provided in the notice—like if you gained employment during the QSEHRA's plan year—enter the self-only amount shown in the QSEHRA notice you got from your employer.	2a \$
b. • If the QSEHRA <b>is</b> provided to you for the entire year: Divide 2a by 12. Enter the result here.  • If the QSEHRA <b>isn't</b> provided to you for the entire year: Divide 2a by the number of months you're being provided the QSEHRA. Enter the result here.	2b \$

## STEP 3: Enter your household income.

a. Enter your expected household income for the year the QSEHRA will start.	3a \$
b. Divide 3a by 12. Enter the result here.	3b \$
c. Multiply 3b by 9.83% (0.0983 on your calculator). Enter the result here. <b>Note:</b> The 9.83% applies only to plans that start in 2021.	3c \$

## STEP 4: Calculate if the QSEHRA meets requirements for “affordability.”

<p>a. Enter the premium amount of the second lowest cost Silver plan. This may not be the plan you enroll in. You need to know the second lowest cost Silver plan premium to figure out if your QSEHRA meets requirements for “affordability.”</p> <p>To get this amount, follow these steps:</p> <ul style="list-style-type: none"><li>• Visit <a href="https://www.healthcare.gov/see-plans/">HealthCare.gov/see-plans/</a>.</li><li>• Enter your ZIP code and select “Continue.”</li><li>• When asked who’s in your household, select “Just You.”</li><li>• Select “Start” next to “Tell us about you &amp; your household.”</li><li>• Select “Skip” when asked if you’re currently enrolled in a Marketplace health plan.</li><li>• Enter your current age and select your sex.</li><li>• Check only the box that says: “Eligible for health coverage through a job, Medicare, Medicaid, or CHIP.”</li><li>• To see the correct premium amount, leave the other boxes unchecked even if they apply to you.</li><li>• Select “Continue.”</li><li>• When asked to confirm your household members, select “Confirm” without adding a spouse or dependents.</li><li>• When asked about your expected income for the current calendar year, skip this question without entering your income information by selecting “See Plans Now.”</li><li>• Close the “Help Comparing Plans” pop-up box.</li><li>• Above the list of plans, make sure “Sort by” is set to “Premium” and select the green “Filter Plans” button.</li><li>• Under “Health Plan Categories” check the box next to “Silver.”</li><li>• Select the green “Apply Filters” button.</li><li>• Look at the “Estimated Monthly Premium” for the second plan listed, and enter it here.</li></ul>	4a \$
<p>b. Enter your monthly premium minus your monthly, self-only individual coverage QSEHRA amount.</p> <p>To get this amount, subtract 2b from 4a.</p>	4b \$
<p>c. Enter the amount from 3c.</p>	4c \$
<p>d. Is the 4b amount more than the 4c amount?</p> <p>Select Yes or No.</p>	4d Yes      No

## STEP 5: See if you might be able to get a premium tax credit with your QSEHRA.

- **If 4d is Yes: You may qualify for a premium tax credit with your QSEHRA.** This means you (and any eligible household members) may be eligible for a premium tax credit to lower the cost of Marketplace coverage for you and your household members. When you apply for Marketplace coverage and before you select a plan, you should reduce the APTC you’ll apply to your monthly premiums by your monthly QSEHRA amount. When the Marketplace asks how much APTC you want to use to lower your monthly premium, be sure to subtract your monthly QSEHRA amount from the APTC amount you qualify for.

- **If 4d is No (or if 4b and 4c are equal): Your QSEHRA does meet requirements for “affordability.”** This means you (and any household members who are also provided the QSEHRA) aren’t eligible for a APTC to lower the cost of Marketplace coverage for you and your household members. You’ll use your employer’s QSEHRA to help pay your premiums. If you’re starting your Marketplace application and don’t want to see if you (and any eligible household members) qualify for free or low-cost coverage through Medicaid or the Children’s Health Insurance Program (CHIP), select that you aren’t applying for help paying for coverage. If you want to see if you or other household members qualify for Medicaid or CHIP, or if any household members who aren’t provided the QSEHRA may qualify for APTC, choose that you’re applying for help paying for coverage. If found eligible for APTC, you should reduce this amount to \$0 when you enroll in a plan.

If you’ve already completed your Marketplace application, come back to your application at [HealthCare.gov](https://www.healthcare.gov) to lower your APTC amount.

**Note:** You (and any eligible household members) may qualify for a Special Enrollment Period to enroll in or change Marketplace coverage outside the yearly Open Enrollment Period if you newly gained access to a QSEHRA. Generally, you’ll need to submit an application and choose a plan in time for it to take effect by the date that your QSEHRA starts. But your employer might offer different options for when your QSEHRA can start to give you more time to enroll. Contact them or check your notice to see if this applies to you.

## Need more information?

- For more information on how a QSEHRA works with Marketplace savings, visit [HealthCare.gov/job-based-help/#/QSEHRA](https://www.healthcare.gov/job-based-help/#/QSEHRA).
- For specifics on your QSEHRA, like its start date and dollar amount, check your QSEHRA notice or contact your employer.



Health Insurance Marketplace